

PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Materials	19.43%	-0.46%	18.96%
Banks	16.05%		16.05%
Software & Services	14.12%		14.12%
Diversified Financials	7.05%		7.05%
Energy	4.58%		4.58%
Telecommunication Services	2.82%		2.82%
Retailing	1.23%		1.23%
Consumer Services	1.08%		1.08%
Real Estate	0.97%		0.97%
Health Care Equipment & Services	0.34%		0.34%
Transportation	0.02%	-3.54%	-3.51%
Exposure	67.69%	-4.00%	63.69%
Cash on Hand			36.31%

TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	16.0%
CUS	Customers Ltd	Long	7.5%
RKN	Reckon Ltd	Long	4.7%
IGO	Independence Group NL	Long	4.7%
TCL	Transurban Group	Short	-3.5%
HGG	Henderson Group PLC	Long	3.0%
DIO	Dioro Exploration NL	Long	2.6%
RIO	Rio Tinto Ltd	Long	2.1%
CDU	Cudoco Ltd	Long	1.9%
MCC	Macarthur Coal Ltd	Long	1.8%
HSKG	HSK Notes	Long	1.7%
AIQ	Alternative Investment Trust	Long	1.6%
IIN	iiNET Ltd	Long	1.5%
CTP	Central Petroleum Ltd	Long	1.5%
AGO	Atlas Iron Ltd	Long	1.5%
CCQ	Contango Capital Partners Ltd	Long	1.5%
BRU	Buru Energy Ltd	Long	1.4%
MBN	Mirabela Nickel Ltd	Long	1.3%
ICN	Icon Energy Ltd	Long	1.2%
RCG	RCG Corp Ltd	Long	1.2%
Top Twenty Portfolio Holdings			55.2%

MARKET AND COMMENTARY

For the three years and nine months to 30th June 2009, Cadence Capital Limited has returned a gross performance of 37.9% compared to an increase in the All Ordinaries Accumulation Index of 0.7%.

During the month of June, Cadence Capital Limited returned a positive gross performance of +1.39% compared to an increase in the All Ordinaries Accumulation Index of +3.93% and an increase in the Small Ordinaries Accumulation Index of +3.05%.

The fund finished the month 67.7% long, 4% short and with a net long exposure of 63.7%. The net exposure for May 2009 was 40.7%.

CHANGES TO THE MONTHLY NEWSLETTER

To date we have not reported our Top Twenty shareholdings on a monthly basis and a number of our shareholders have expressed a desire to see these holdings, as well as the percentage weighting of each holding relative to the overall portfolio. This month we have provided these share holdings and will continue to do so. We hope that this gives our shareholders greater transparency into the portfolio and the management of the portfolio.

In addition, we will move to providing Net Tangible Asset Backing numbers on a monthly basis, as opposed to a weekly basis. This will more closely reflect our mandate to provide superior returns over the medium to long term.

CADENCE CAPITAL LIMITED WEBCASTS

In addition to the above changes, we will be providing updated links on our website to recent media footage and interviews in which we discuss markets in general and particular stocks in our portfolio. Once again we hope that this provides greater insight into the management of the portfolio.

DISCLAIMER

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